NEVADA DIVISION OF ENVIRONMENTAL PROTECTION

FACT SHEET

(Pursuant to NAC 445A.874)

Permittee Name: Makoil, Inc. Address: 25391 Commercentre Dr. Project Name: Trap Springs Lake Forest, CA 92630

Permit Action: **UIC Renewal**

Permit Number: **UNEV2009201** (formerly UNEV96201 & UNEV96202)

Type of Project: Class II – water disposal wells

Injection Wells: Two (2)

A. <u>Description of Injection wells</u>

Injection Well Info - Railroad Valley, Nye Co.							
Well Name/No.	Well Location	API/NDOM #	Longitude	Latitude			
Trap Springs 13	S 26, T9N, R56E	2702305240/203	115.6454722°	38.6056111°			
Trap Springs 20X	S 22, T9N, R56E	2702305262/233	115.65475°	38.619861°			

Table 2 – Well Construction						
Well No.	Injection Authorization Date	Land Status	Total Well Depth (ft)	Injection Interval (ft)		
13	10/85	Public	7956	5815 – 5836		
20X	10/85	Public	5650	5040 – 5060, 5140 – 5160		

<u>Injection Characteristics</u>: All injectate is fluid produced in conjunction with conventional oil production. The injectate fluid will have a TDS concentration of approximately 2,800 – 4,500 ppm. Reverse emulsion breaker (EC6032A) and a demulsifier (EC2307A) are chemical that have been approved for use in the production process. Additional chemical treatment will require approval by the Division prior to use.

Receiving Water Characteristics: The injection zone for well 20X is within the Paleozoic Carbonate sequence at or below 5,040 feet. The injection zone for well 13 is within the Tertiary Garrett Ranch Volcanics at or below 5,815 feet. These zones have been characterized by water analyses and by other injection wells in the area to be high in total dissolved solids (~15,000 ppm) and to contain hydrocarbons. The aquifer is exempted from NAC 445A.850 for one-quarter mile radius around the wells.

Wells are not located in wellhead protection areas.

B. Synopsis

The applicant has requested reissuance of UIC permits UNEV96201 and UNEV96202 into a combined permit numbered UNEV2009201. These permits were originally issued by US EPA as NVS000000004 and NVS000000005. UNEV96201 authorized injection into well 20X and UNEV96202 authorized injection into well 13, Trap Springs Oil Field, Railroad Valley, Nevada. The only wells known to exist within the area of review are associated with oil production, water wells associated with oil field projects, and monitoring wells at the oil refinery. Injectate fluids are

produced in conjunction with conventional oil production activities from other wells in the area. For the last five years, the average injection rate: #13 = 650-900 barrels (1 barrel = 42 gallons) per day, and #20X = 3,500-4,000 bpd. Injection pressure for last five years: #13 = 200-1,100 psi, and #20X = 300-750 psi. The maximum pressure allowed at the wellhead is: #13 = 1,900 psi, and #20X = 1,200 psi. The existing wells have undergone testing and have demonstrated mechanical integrity.

C. Proposed Effluent Limitations and Special Conditions

Well	Max. wellhead pressure	Max. Injection Rate	
13	1,900 psi	8,000 bpd	
20X	1,200 psi		

D. Rationale for Permit Requirements

Verification that the quality of fluid discharged to the injection well(s) remains constant. Confirmation that fluids disposal does not adversely affect the existing hydrologic regime or biologic resources.

E. Proposed Determination

The Division has made the tentative determination to modify and reissue the permit contingent upon comments received during the public comment period and the public hearing. If no significant negative impacts due to injection are identified during this process, it is the intent of the Division to reissue the permit.

F. Procedures for Public Comment

The Notice of the Division's intent to reissue a permit authorizing the facility to discharge to the ground water of the State of Nevada is being sent to the *Ely Daily Times* newspaper for publication no later than November 30, 2008.

The notice is being mailed to interested persons on our mailing list (see Attachment A). Anyone wishing to comment on the proposed permit can do so in writing for a period of 30 days following the date of the public notice. The comment period can be extended at the discretion of the Administrator. All written comments received during the comment period will be retained and considered in the final determination.

A public hearing on the proposed determination can be requested by the applicant, any affected state, any affected interstate agency, the regional administrator of EPA Region IX or any interested agency, person or group of persons.

Any public hearing determined by the Administrator to be held must be conducted in the geographical area of the proposed discharge or any other area the Administrator determines to be appropriate. All public hearings will be conducted in accordance with NAC 445A.239.

The final determination of the Administrator may be appealed to the State Environmental Commission pursuant to NRS 445.274.

Prepared by: Russ Land Date: October 2008